

City of Junction City
Proposed Budget Document
FY 2010-11

SECTION 6

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MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

The main sources of revenue for this fund are property taxes, franchise fees, state tax apportionments, land use and building permits, interest earnings, and court fines. Property tax money, despite recent limitations, is the largest source of General Fund revenue. More information about property taxes can be found in the section, of this budget document, entitled "Major Revenue Sources." The proposed FY 2010-11 budget has been prepared with 100% of the property taxes going into the General Fund. Within that fund, there are no restrictions on the use of this money. Even though the General Fund contains several different departments, all the revenue sources are combined to cover all the fund's expenditures.

Administration/Miscellaneous Departments: The City Administrator and the City Recorder are the two staff members within this department. The City Administrator directs the general operation of the City government in order to meet the needs of citizens. The operations are governed by policies established by the City Charter, City Council, City Ordinances, Resolutions, Union and other Contracts, State statutes, and Federal regulations. The City Administrator advises the City Council, recommends policies, and assists the council in establishing service priorities to meet the needs of the citizens. The City Administrator also interacts with the business community, schools, civic organizations and other governments.

The City Recorder serves as Clerk of the Council, City Elections Official, and Records Custodian. The City Recorder performs a wide variety of professional duties that support the activities of the Mayor, City Council, and City Administrator. In addition, the City Recorder records and transcribes minutes for the City Council, Budget Committee, and various other committees; prepares and maintains ordinances, resolutions, and other city documents; responds to public records requests and citizen complaints; posts public notices; handles correspondence and reporting to outside agencies; oversees various insurance reports and issues; and tracks temporary business, social gaming, and liquor licenses.

The Miscellaneous Department is used to budget and account for many of the expenditures for which there is not a logical method to allocate to departments or for which the benefit is Citywide. Examples include legal counsel, repair and care of multi-use city property, employee bonds, and association dues. This department is also used for budgeting and accounting for council related expenses, employee recognition, and public relations.

Finance Department: The Finance Department currently consists of the Finance Director, Accountant, and a .75 FTE Administrative Aide I. The aide is responsible for reception duties and the entire utility billing cycle. The other staff members in the Finance Department handle all other financial and human resource aspects of City business including, but not limited to, accounts payable; accounts receivable; cash receipts; billing for City services; payroll; personnel related processes and issues; budget preparation; financial reporting and audit preparation.

Building/Planning Department: The Planning Department helps guide the physical development of the city. Examples of the department's work include implementation of the Junction City Comprehensive Plan; administration and updating of the Zoning Ordinance; processing development and land use applications; administration of the land use code enforcement program; managing grants for the development of long range growth plans; and providing support to the Planning Commission.

The Planning Department also administers the City's Building Department through its contract with Clair Company. Clair Company provides services of a full building department including building, plumbing, and electrical plan review and inspections. This includes single-family dwellings, manufactured homes, and commercial businesses. City staff provides administrative support with permit intake, issuance and tracking.



Community Workshop 2008

Currently, the department includes the positions of Planning Director, Assistant Planner (not filled) and a full-time Administrative Aide IV.

The planning director is responsible for the administration of planning, building and land use functions and the gathering, reviewing and analyzing land use and zoning information. The director also enforces laws and ordinances governing zoning, land use, nuisances, and supervises City employees on planning-related functions. The Planning Director is also the project manager for the Customized Periodic Review Project that is in process.

The Assistant Planner position has been empty and there are not any plans to fill it in FY 2010-11. The department will revisit filling the position in the FY 2011-12 budget preparation process. The decision will be largely based on the level of building and planning activity at that time. This position will mainly be responsible for reviewing and analyzing simple land use applications, assisting customers with planning questions, and assisting with the Comprehensive Plan updates as necessary.

The Administrative Aide is responsible for coordination and intake of building permit applications, documents, plan submittals and reporting, plan review and assisting the public. The Aide is also responsible for public noticing, records management, review of minor sign permits and planning applications, and taking minutes and preparing for Planning Commission meetings.

Police Department: The Junction City Police Department is committed to excellence in community policing, through our partnerships with the community to provide a safe vibrant community with the highest quality of life. The Police Department is honored to serve our community through the primary focus of our proactive Patrol Division. The Patrol Division is supported by our Dispatch/Records Center, Corrections and Probation Division.

The City is patrolled by one Chief of Police, two Patrol Sergeants and seven Police Officers, twenty-four hours a day, seven days a week, three hundred sixty five days a year. While each officer actively patrols the entire community during their shift, specific officers are assigned to five areas called Sectors. These Sector officer's are responsible to partner with the residents in their Sector to implement Crime Prevention Through Environmental Design (CPTED) principles, support neighborhood watch activities, address nuisance issues, address traffic issues, apprehend criminals, and communicate to residents trends in criminal activity.

The Dispatch and Records Center is staffed by one Dispatch/Records Supervisor and five communications officers. The Center provides twenty four hour emergency dispatch services, for the Junction City Police and Fire Department, Coburg Police Department and evening services for Lane Community College. They also provide twenty four hour monitoring of inmates lodged in our Jail.

The Corrections Division operates a certified jail, consisting of two cells and four beds. The Jail provides a vital tool for holding criminal's accountable in our community for misdemeanor crimes. The Jail currently operates on a \$21k budget.

The Probation Division operates under the authority of the Municipal Court Judge with a .25 FTE certified probation officer. The probation division has shown to be a tremendous success in monitoring probationer's activities after sentencing and is a true example for restorative justice.

Municipal Court Department: All police citations are processed through the municipal court which is currently staffed by one full-time Administrative Aide IV. The Administrative Aide's duties include, but are not limited to, preparing warrants, license suspensions and payment agreements; preparing for and overseeing the Court operations; preparing and maintaining records; coordination of court dockets and proceedings; coordinating and tracking cases turned over to a collection agency; coordinating with the police department staff; serving as the Court Administrator, and is frequently required to interpret governing regulations, laws, and policies and procedures. Judicial and prosecutorial services are contracted. Court is held on the first four Thursdays of each month in the Council Chambers of City Hall. The Judge holds arraignments on court day and on an as-needed basis. Jury trials are held when a citizen requests to be adjudicated by a jury. The court also provides court-appointed attorneys as needed.

Community Services Department: This department was established in 2009 by the City Council. The department is staff by a Community Services Director. The scope of this department includes the Library, Swimming Pool, Viking Sal Senior Center (VSSC), and the Community Services Center (CSC). The budgeting and accounting for the library and swimming pool functions are included in the General Fund as departments; however, the financial activities of the VSSC and the CSC are budgeted and accounted for in separate funds. These funds are considered to be Special Revenue funds and are described in more detail under that heading later in this section.

Library: The Junction City Public Library was established in 1926, and became a City department in 1929. In 1971 the program was moved to its current location at 726 Greenwood Street. The facility is open 32 hours per week, and is staffed by a full time Library Director and a part time Library assistant. By City ordinance, the Library program receives guidance from the Library Board. Examples of the services provided are circulation, internet access, Wi-Fi, reference materials, agency referrals, story time, summer reading program, interlibrary loans, and computer assistance and training. Recently the library has secured a grant to provide Spanish language materials and outreach. The library web page, www.ci.junction-city.or.us/library, offers access to full-text newspapers, magazines, a list of good web-links, the catalog, and health information from Peace Health.

Swimming Pool: A manager and numerous lifeguards/instructors are used to staff the pool. The regular season for the operations of the City's pool is from June through August; however, it is available for use, by request, at other times during the year. The pool is maintained to a certain level all year long.

Parks Department: The City has provided park areas in the community since the early 1930's. In the mid 1970's the park and recreation department was formed. At some point the department was split between Parks Maintenance and Recreation. In the fall of 2005 the Recreation Department was eliminated and a private Organization (Junction City Athletics) took over the recreation programs.

The City's Parks department is now and will continue to be focused on maintaining the parks and street trees.



STREET FUND

This fund was established for the purpose of construction and maintenance of City streets and storm drainage system. Previously, revenues were derived from state highway taxes, county road funds, the Burlington Northern Railroad franchise, and grants. Since FY2007-08 the City has sought additional revenue sources due to the fact that Lane County and Burlington Northern Railroad will no longer be contributing road money. The services provided by the City include repairs, maintenance, development, and cleaning of streets, sidewalks, bike and pedestrian ways, storm-water system, and traffic control equipment.

COMMUNITY DEVELOPMENT REVOLVING LOAN FUND

The Community Development Revolving Loan Fund, more commonly referred to as the Business Loan Fund, was established in the early 1980's with a community development block grant from the State for the purpose of loaning funds to expand Country Camper, Inc., which is known today as Country Coach. Additional loans have been made with the repayment of the original loan. In FY2009-10 the fund was split into the Business Loan department and the Economic Development department. This separation allows the City to account for and budget expenditures promoting economic development separate from the revolving loan program.

The **BUILDING REPLACEMENT RESERVE FUND** was established to pay for improvements to or replacement of City buildings.

The **DOC-IGA INFRASTRUCTURE CAPITAL PROJECT FUND** was created in FY2007-08. The purpose of this fund is to collect and expend money for the many infrastructure improvements needed to successfully support the incoming facilities south of the City. As expenditures are made, the Oregon State Department of Corrections is reimbursing the City.

SPECIAL REVENUE and RELATED RESERVE FUNDS

SPECIAL REVENUE:

Special revenue funds are used to account for the proceeds of specific revenue sources for which the use is restricted or specified for particular purposes. Donators, State Law, and/or City Council action can impose the restrictions.

The **Community Services Center Fund** is a new Special Revenue Fund being proposed for FY 2010/11. The Community Services Center Fund accounts for the year round operations of the Community Services Center. Revenues are primarily earned by program fees and fundraising conducted by local citizens. Expenses include program supplies, overhead, and operations needs. With the exception of a \$5,000 contingency transfer from the General Fund and the Community Service Director position's oversight, the Community Services Center is 100% self supported. See "Summary of Fund/Department Changes" in Section 2 of this document.

The **Viking Sal Senior Center Fund** accounts for the year round operation of the Viking Sal Senior Center. Revenues are primarily earned by fundraising and special events hosted by local citizens. Expenses include administrative supplies, overhead, and operating needs. With the exception of the Coordinator's position and the part-time Administrative Aide position, the Viking Sal Senior Center is 100% self-supported.



The **Bike Path Reserve Fund** was established for the construction of bike paths in Junction City. The revenue is primarily received from the State as part of the Highway Gas Tax apportionment.

The **State Revenue Sharing Fund** was established for the use of payments received from the State of Oregon designated as revenue sharing. The City has traditionally used the funds for one-time construction/improvements to City property or buildings, one-time equipment purchases, or to help cover the personnel costs related to the operation of the Viking Sal Senior Center. The proposed budget includes several uses consistent with the past.

The **Cumulative Law Enforcement Reserve Fund** was established to accumulate confiscated monies for drug enforcement activities and drug counseling programs. No expenditures are being proposed because the City does not have any qualifying programs at this time.

The **Special Police Programs Fund** (fka Shop with a Cop Trust Fund) was established in the FY 2009-10 budget process to combine the Shop with A Cop, CERT, and SCOPS programs administered by the Police Department into one fund. This fund is used to budget and account for donations, fundraising, and expenditures for each program through the use of separate departments. Beginning in fiscal year 2010-11 the police department is proposing to add a Police K-9 program and a new department in the fund. See "Summary of Fund/Department Changes" in Section 2 of this document.

The **Police Defibrillator Trust Fund** was established through donations for the purchase of portable defibrillator for police vehicles. Expenditures, when necessary, are related to equipment maintenance and/or parts.

The **Health Insurance Fund** was established to accumulate funds from operating departments for employee health benefits. The fund was established in FY93-94, when the City Council froze the amount it would allocate toward employee health benefits. The employees were then given the opportunity to manage their own benefits by forming a committee and choosing the coverage they could afford with those funds. Recent changes allow for the use of this money whenever health insurance premiums increase more than 5%.

The **Transportation System Improvement Fund** was established in FY2007/08. The purpose of this fund is to collect and expend money for major repairs and improvements to the City's streets, sidewalks, and bike paths. The main revenue source was to be a portion of the Gas Tax; however, the measure did not pass in November of 2007. There has not been any financial activity in this fund since its inception; therefore, it is being put on inactive status.

The **Street and Park System Development Funds** were established for the purpose of collecting System Development Charges (SDC) paid by developers for residential or commercial construction, remodels, expansions and/or changes in use. Expenditure, by the City, of SDC money is generally restricted (by State Law) to capacity increasing work or acquisitions (including debt service payments) to the systems for which they were collected. To be an eligible use the project or purchase also needs to be included in the City's Capital Improvement Plan.

RESERVE FUNDS:

The City has established a number of Reserve Funds. The purpose of a reserve fund is to accumulate money from year to year for major purchases, projects or services. Reserve funds have to be reviewed at least every 10 years. The council has the choice of reaffirming, combining or abolishing each reserve fund.

Transfers from operating funds are the main revenue source for Reserve Funds. The goal each budget year is to transfer as much money as possible without jeopardizing the operating funds sustainability. The other source of continual revenue is interest earnings.

The **Police Vehicle and Equipment Reserve Fund** (formerly the Police Vehicle Fund) was established for the purchase of police vehicles and police equipment.

The **Library Equipment and Building Improvement Reserve Fund** (formerly the Library Equipment Fund) was established for the purchase of equipment for the Library. July 1, 2006 the purpose was expanded to include improvement to the Library building.

The **Administration Equipment and Vehicle Reserve Fund** (formerly known as the Administration Vehicle Reserve Fund) was established to allow for vehicle purchases, as needed, for use by administrative staff when attending trainings, conferences or other work-related travel. Equipment needs are also budgeted and accounted for within this fund.

The **Park and Pool Equipment Fund** (Park and Recreation Reserve Fund) was established for the repair or purchase of park and pool equipment and facilities.

The **Computer Equipment Reserve Fund** was established for the purchase of computer equipment Citywide as needed. Recently an IT Committee was formed to meet on a regular basis. One of the goals of the committee is to prepare a computer replacement schedule that includes hardware, software, and servers. Future budgeting will incorporate expenditures as determined by the schedule.

The **Public Works Building and Yard Improvement Reserve Fund** was established for the purpose of collecting and expending money for improvements to the public works facilities on Elm Street. Transfers from the Water, Street, Sewer, and Sanitation operating funds will be the main source of revenue.

The purpose of the **Viking Sal Capital Reserve Fund** is to collect and expend money for building and equipment improvements, expansions, purchases, and refurbishments. The main source of revenue will be transfers from the Viking Sal Senior Center operating fund.

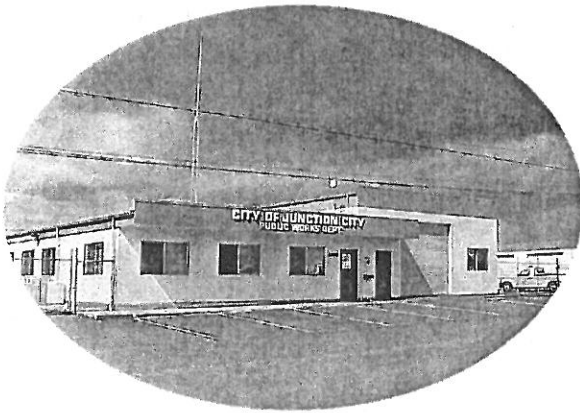
The **Street Equipment Reserve Fund** was established to accumulate money to purchase vehicles and equipment related to street care and operations. The Equipment Replacement Plan is used to determine the budgeted amounts from one year to the next. Many of the items on the plan are used and; therefore, budgeted in multiple departments.

The **Prairie Road Street Improvement Reserve Fund** was created July 1, 2006. The purpose for this fund was to hold money to be received from a local developer for improvements to Prairie Road. The money was received during the 2006/07 fiscal year.

ENTERPRISE (aka Proprietary) FUNDS

Enterprise operating funds account for activities conducted on a fee-for-service basis in a manner similar to private, commercial business. The intent of the governing body is that costs of providing goods or services to the general public on a continuing basis are financed or recovered through user charges. The Enterprise Funds for the City of Junction City are the Water Fund, Sewer Fund, and the Sanitation Fund. The city also has system improvement, equipment reserve, and system development charge funds related to the enterprise operations.

OPERATING FUNDS:



The **Water Fund** derives its revenues from services to consumers. Expenses are for the administration, operation and maintenance of the water system. Changes in operations, rate increases the past couple of years, and restructuring the base and consumption rates have helped stabilize the fund balance. This proposed budget includes a 7.5% increase in the base and consumption rates to be effective July 21, 2010.

System Description: The City utilizes four groundwater sources as its water supply. The well sites are located throughout the community, primarily on the east side of Highway 99. The wells pump directly into the water distribution system. Pressure within the system is controlled by the water level in a 125,000 gallon elevated tank located on 7th Avenue near City Hall. The distribution system is comprised of a variety of piping materials, including galvanized, PVC, transite, ductile iron, and wrought iron. The original system was started in 1932. The 13th & Elm well is equipped with auxiliary power to provide continuous water service in the event of an extended power failure. Constructed in the 1960's, the 1.25MG ground storage facility provides additional storage for firefighting needs.

The **Sewer Fund** also derives its revenues from services to consumers. Expenses are for the administration, operation and maintenance of the sewer system and sewage treatment facility. Recent rate increases and operational changes have created a balancing between revenue and expenditures. In an effort to maintain that balance the rate structure was revised early in 2009. Additionally a 15% rate increase is being proposed to take effect on July 21, 2010.

The treatment system is comprised of a 16" force main (a sewer pipe that carries wastewater under pressure). The system currently has 10 sewer pumping stations, one of which is scheduled for refurbishment this year. The various pump stations pump wastewater into the force main, which conveys the wastewater to the treatment plant located on High Pass Road.

The treatment plant is comprised of two 23.5-acre stabilization lagoons, associated disinfections process, and discharge facilities. The lagoons are operated in either series or parallel as treatment demands dictate. Stabilization lagoons use two layers of bacterial activity to "stabilize" sewer, an aerobic and anaerobic layer. This treatment process is completely biological, and is dependent on time and weather. The treated wastewater then flows into a chlorine contact chamber where it is disinfected with liquid chlorine. The water is either then land applied via irrigation (summer) or discharged to Crow Creek (winter). The City

operates the lagoon system under a National Pollution Discharge Elimination Permit (NPDES) and is regulated by the Oregon Department of Environmental Quality (DEQ).

The **Sanitation Fund's** revenues include residential and commercial fees for the removal of refuse for recycling and dumping. Expenses are for the administration and operation of the service, the operation of a fleet of vehicles for the collection and disposal of refuse, and the costs associated with the disposal of the refuse. In the past couple of years rate increases have been proposed and approved in an effort to close the gap between revenue and expenditures. A rate increase is not being proposed at this time.

Residential Garbage Collection: The City provides residential garbage collection on a weekly basis to over 1,400 accounts. The refuse is collected and transported on a daily basis to the Coffin Butte facility North of Corvallis. Staff is responsible for tracking service starts and stops, as well as for resolving customer complaints.

Residential Yard Debris Collection: The City recently began this service by providing, on a request only basis, containers specifically for yard debris. The containers are picked up from the curb twice per month. The yard debris is hauled to Lane Forest Products for disposal.

Dumpster Service: The City offers dumpsters varying from 1 yard up to 8 yards. Dumpsters are picked up on a scheduled basis for commercial customers and on a will call basis for residential users.

Recycling Service: The City provides curbside recycling to all residential customers and cardboard collection to commercial customers. The recycling is then transported to Eugene for disposal.

SYSTEM (AND RELATED) FUNDS:

The **Sewer Ratepayer Assistance Fund** (formerly the Sewer Debt Assistance Fund) was established to assist lower income citizens with the payment of the Sewer Debt assessment (now known as the Sewer Surcharge Fee). The Sewer Assistance fee is one dollar per account per month; however, per City Council direction it is not being billed/collected at this time.

The **Sewer System Improvement Fund** (formerly known as the Debt Service Fund) was established for the repayment of the loan to the State. Effective February 21, 2009 the main revenue source is the transfer of money from the Sewer Fund. The new rate structure, mentioned above, eliminates the separate Sewer Surcharge Fee; however, the base and consumption rates have been adjusted to maintain roughly the same revenue level. The total amount collected for sewer services will be recorded in the sewer operating fund. Then, based on the planned sewer system improvements and needs, money will be transferred to this fund from the sewer fund.

The **Water System Improvement Fund** was created in FY2007/08. The main revenue source has been the water surcharge fee. Similar to the sewer surcharge, the separate water surcharge has also been eliminated. The new water base and consumption rates include an amount equal to the surcharges previously collected to maintain the same level of revenue. Money collected for water services will be recorded in the water operating fund. Transfers of money will be budgeted and recorded based on the planned water system improvements and needs each year.

A fund entitled “**Sanitation System Improvement Fund**” was created in FY2008-09. The purpose of this fund is to budget and account for all the costs associated with the newly purchased garbage and recycling containers. Supplying containers to the City’s customers was a necessary part of updating to an automated garbage pickup system. The revenue source is a transfer from the Sanitation Fund.

RESERVE FUNDS:

The City has established **Water, Sewer, and Sanitation Equipment Reserve Funds**. The purpose of these reserve funds is to accumulate money from year to year for major equipment purchases. Reserve funds have to be reviewed at least every 10 years. The council has the choice of reaffirming, combining or abolishing each reserve fund.

Transfers from operating funds are the main revenue source for Reserve Funds. The goal each budget year is to transfer as much money as possible without jeopardizing the operating funds sustainability. The other source of continual revenue is interest earnings.

SYSTEM DEVELOPMENT FUNDS:

The **Water and Sewer System Development Funds** were established for the purpose of collecting System Development Charges (SDC) paid by developers and/or builders for residential or commercial construction, remodels, expansions and/or changes in use. Expenditure, by the City, of SDC money is generally restricted by Ordinance and State Law to capacity increasing work or acquisitions (including debt service payments) to the systems for which they were collected.

City of Junction City
Transfers As Adopted
For FY10/11

<u>Fund Name</u>	<u>To</u>	<u>From</u>	<u>Reason</u>
Community Services Fund	10,550.00		To support new
General		10,550.00	Fund
General	107,500.00		Support General Fund
Streets		100,000.00	
State Revenue Sharing		7,500.00	
Computer Equipment Reserve	13,000.00		Accumulate \$
Water		1,000.00	
Sewer		1,000.00	
Sanitation		1,000.00	
State Revenue Sharing		10,000.00	
Police Vehicle & Equip Reserve	47,000.00		Pay for leased vehicles.
State Revenue Sharing		10,000.00	
General		37,000.00	
Viking Sal Capital Reserve	2,500.00		Accumulate \$
Viking Sal Senior Center		2,500.00	
Street Equipment Reserve	8,000.00		Accumulate \$
Streets		8,000.00	
Water Equipment Reserve	15,000.00		Accumulate \$
Water System Improvement Res	220,000.00		
Water		235,000.00	
Sewer Equipment Reserve	25,000.00		Accumulate \$
Sewer System Improvement Res	760,000.00		
Sewer		785,000.00	
Sanitation Equipment Reserve	37,000.00		Accumulate \$
Sanitation System Improvement	100,000.00		
Sanitation		137,000.00	
PW Building/Yard Reserve	5,000.00		Accumulate \$
Water		1,000.00	
Sewer		2,000.00	
Sanitation		1,000.00	
Streets		1,000.00	
Totals:	\$ 1,350,550.00	\$ 1,350,550.00	